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CONNECTICUT LABOR SITUATION

CONNECTICUT LABOR DEPARTMENT

JOB SERVICE

EMPLOYMENT SECURITY DIVISION
WETHERSFIELD 06109

BETTY L. TIANTI
COMMISSIONER

November 1988

A monthly employment increase of 13,800 was recorded in Connecticut during October when unemployment was up one-tenth of a percent and personal income reached a new high, it is reported by State Labor Commissioner Betty L. Tianti.

Employment, Wages and Hours: November's job gains brought employment to 1,682,300. This was a 1.5 percent rise representing 24,800 jobs since October 1987 (page 2). No change occurred in manufacturing, where employment was 373,100, down 2.6 percent from last year. Nonmanufacturing expanded in most all categories, with the largest increase in government which added 6,700 jobs. Retail trade recorded a 4,200 boost, while services went up by 2,200. Thirteen labor markets had higher monthly employment and there were declines in Bristol and the Lower River area. Since last year, employment rose in all areas except Norwich/New London (pages 5 & 6).

Hourly earnings of production workers increased an average of five-cents to $10.78, and weekly wages were $450.60 for a slightly shorter workweek of 41.8 hours, down from 42 in October (page 3). A year ago, factory workers earned $445.42 for 42.1 hours at $10.58 per hour. Computed on a straight-time basis, wages this October were $10.33 hourly and $413.20 weekly, up 2.2 percent from 1987's rates of $10.11 and $404.40 per week. The highest weekly wages were paid in construction, $667.90, followed by chemicals, $536.35; transportation equipment, $533.82 and machinery, $515.21. Hartford and Stamford area production workers earned the highest weekly wage of the five major markets at $484.76 and $477.89, respectively (page 6).

Unemployment: Statewide unemployment went up by 2,600 to 53,700 and the actual rate from 2.9 to 3.0 percent (page 4). The seasonally adjusted rate moved from 3.1 to 3.3 percent. Connecticut's October rates remained well below the national 5.0 percent actual and 5.2 percent adjusted figures. Unemployment was unchanged from September in Danbury and Danielson and higher in the remaining labor market areas. Included in the estimates are people receiving unemployment benefits, others who were ineligible or whose benefits expired and persons entering or reentering the labor force.

Other Indicators: Several economic indicators (page 7) showed monthly and over-the-year improvement, with personal income of state residents reaching a new monthly high of $5-billion, 469-million and increased manufacturing output.

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This report, developed regularly in cooperation with the U.S. Bureau of Labor Statistics, includes an explanation of new federal procedures for estimating labor force data in the states.

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CONNECTICUT NONAGRICULTURAL EMPLOYMENT

(Excludes agricultural, private household, self-employed and unpaid family workers)

	Oct. 1988(P)	Sept. 1988(R)	Oct. 1987(R)	% Change Oct. '88 over Sept.'88	% Change Oct. '88 over Oct. '87
Total Nonag. Employment....	1,682,300*	1,668,500*	1,657,500*	+ 0.8	+ 1.5
Manufacturing.....	373,100*	373,100*	383,200*	0.0	- 2.6
Durable.....	277,400*	276,500*	286,900*	+ 0.3	- 3.3
Lumber & Furniture.....	7,400	7,400	7,300	0.0	+ 1.4
Primary Metals.....	12,800	13,000	13,400	- 1.5	- 4.5
Fabricated Metals.....	42,600*	42,600*	42,900*	0.0	- 0.7
Machinery exc. Elec.....	47,900	47,800	47,400*	+ 0.2	- 1.1
Electrical Equipment....	51,500	51,400	50,300	+ 0.2	- 2.4
Transportation Equipment	78,200	76,900*	87,500	+ 1.7	- 10.6
Instruments & Clocks....	23,200	23,300	24,200	- 0.4	- 4.1
Other Durable.....	13,800	14,100	13,900	- 2.1	- 0.7
Nondurable.....	95,700	96,600	96,300	- 0.9	- 0.6
Food.....	12,900	13,100	12,900	- 1.5	0.0
Textiles.....	3,300	3,500	4,000	- 5.7	- 17.5
Apparel.....	6,700	6,700	7,300	0.0	- 8.2
Paper.....	9,500	9,600	9,300	- 1.0	- 2.2
Printing & Publishing...	27,200	27,300	27,600	- 0.4	- 1.4
Chemicals.....	22,400	22,600	21,500	- 0.9	+ 4.2
Rubber & Misc. Plastics.	12,000	12,100	12,000	- 0.8	0.0
Other Nondurable.....	1,700	1,700	1,700	0.0	0.0
Nonmanufacturing.....	1,309,200*	1,295,400	1,274,300*	+ 1.1	+ 2.7
Construction & Mining....	83,700	83,600	81,400	+ 0.1	+ 2.8
Transportation.....	42,000	41,800	40,900	+ 0.5	+ 2.7
Motor Freight & Warehsg.	17,000	16,900	16,500	+ 0.6	+ 3.0
Other Transportation....	25,000	24,900	24,400	+ 0.4	+ 2.5
Communications.....	19,300	19,300	19,900	0.0	- 3.0
Utilities.....	13,000	12,900	13,100	+ 0.8	- 0.8
Trade.....	389,600	385,400	374,300	+ 1.1	+ 4.1
Wholesale.....	89,800	89,800	88,600	0.0	+ 1.4
Retail.....	299,800	295,600	285,700	+ 1.4	+ 4.9
General Merchandise....	37,100	35,400	35,400	+ 4.8	+ 4.8
Food Stores.....	52,100	51,000	49,000	+ 2.2	+ 6.3
Auto Dlrs. & Gas Sta...	33,800	33,600	32,500	+ 0.6	+ 4.0
Restaurants.....	79,400	80,700	78,600	- 1.6	+ 1.0
Other Retail Trade.....	97,400	94,900	90,200	+ 2.6	+ 8.0
Finance, Ins. &..R.E.....	152,100	151,800	150,600	+ 0.2	+ 1.0
Banking.....	35,000	34,800	34,100	+ 0.6	+ 2.6
Insurance.....	79,000	78,900	80,700	+ 0.1	- 2.1
Real Estate.....	15,300	15,400	14,600	- 0.6	+ 4.8
Other Fin.,Ins. & R.E...	22,800	22,700	21,200	+ 0.4	+ 7.5
Services.....	402,800*	400,600	389,400*	+ 0.5	+ 3.4
Hotels.....	11,900	12,000	11,400*	- 0.8	+ 4.4
Personal Services.....	19,800	19,600	18,900	+ 1.0	+ 4.8
Business Services.....	90,500	90,100	88,300	+ 0.4	+ 2.5
Health Services.....	121,800	121,000	117,400	+ 0.7	+ 3.7
Law & Professional.....	37,700	37,200	34,400	+ 1.3	+ 9.6
Educational Services....	35,700	34,900	33,800	+ 2.3	+ 5.6
Other Services.....	85,400*	85,800	85,200	- 0.5	+ 0.2
Government.....	206,700	200,000	204,700	+ 3.4	+ 1.0
Federal.....	25,500	25,500	24,900	0.0	+ 2.4
State & Local.....	181,200	174,500	179,800	+ 3.8	+ 0.8

* Excludes workers idled due to labor-management disputes.
(R) Revised estimate
(P) Preliminary estimate

EARNINGS AND HOURS

Manufacturing Production and Related Workers and On-Site Construction Workers

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	Oct. 1988(P)	Sept. 1988	Oct. 1987(R)	Oct. 1988(P)	Sept. 1988	Oct. 1987(R)	Oct. 1988(P)	Sept. 1988	Oct. 1987(R)
MANUFACTURING (Production and Related Workers)	$450.60	$450.66	$445.42	41.8	42.0	42.1	$10.78	$10.73	$10.58
DURABLE MANUFACTURING.....	462.58	465.24	457.10	42.4	42.8	42.6	10.91	10.87	10.73
Lumber & Furniture.....	374.11	368.99	362.09	41.8	41.6	42.3	8.95	8.87	8.56
Primary Metals.....	471.11	488.57	486.85	43.5	44.7	45.5	10.83	10.93	10.70
Fabricated Metals.....	443.23	450.14	436.60	42.7	43.2	43.1	10.38	10.42	10.13
Machinery.....	515.21	513.09	480.22	44.3	44.5	42.8	11.63	11.53	11.22
Electrical Equipment.....	389.43	393.95	390.58	42.1	42.4	42.5	9.25	9.27	9.19
Transportation Equipment.....	533.82	538.14	519.57	41.0	41.3	41.4	13.02	13.03	12.55
Instruments and Clocks.....	457.08	444.86	434.58	44.9	44.8	44.3	10.18	9.93	9.81
Other Durable Mfg.....	376.11	381.75	401.94	39.8	40.1	42.0	9.45	9.52	9.57
NONDURABLE MANUFACTURING.....	414.56	411.93	409.86	39.9	39.8	40.5	10.39	10.35	10.12
Food.....	389.77	394.94	397.65	40.1	40.8	39.1	9.72	9.68	10.17
Textiles.....	345.93	355.83	338.66	39.9	40.9	41.2	8.67	8.70	8.22
Apparel.....	253.13	252.45	253.17	37.5	37.4	37.9	6.75	6.75	6.68
Paper.....	472.32	466.02	478.40	41.0	40.7	41.6	11.52	11.45	11.50
Printing and Publishing.....	417.75	422.24	404.42	37.5	37.7	38.7	11.14	11.20	10.45
Chemicals.....	536.35	525.81	517.54	42.5	42.2	43.2	12.62	12.46	11.98
Rubber and Misc. Plastics....	366.87	355.60	372.32	40.9	40.0	41.6	8.97	8.89	8.95
Other Nondurable Mfg.....	309.58	292.15	343.73	35.1	32.9	39.6	8.82	8.88	8.68
CONSTRUCTION.....	667.90	646.27	671.80	40.8	39.6	42.6	16.37	16.32	15.77

(P) Preliminary estimate
(R) Revised estimate

UNEMPLOYMENT IN CONNECTICUT BY STATISTICAL AREA

	Oct. Number	1988 Ratio to Labor Force	Sept. Number	1988 Ratio to Labor Force	Oct. Number	1987(R) Ratio to Labor Force
State Totals* Actual...	53,700	3.0	51,100	2.9	50,400	2.9
Seasonally Adjusted...		(3.3)		(3.1)		(3.3)
Statistical Areas (Not Seasonally Adjusted)						
Bridgeport.....	8,900	3.8	8,700	3.7	7,900	3.4
Bristol.....	1,200	3.3	1,200	3.2	1,300	3.3
Danbury.....	3,200	2.8	3,200	2.8	3,400	3.0
Danielson.....	1,400	4.0	1,400	4.0	1,300	3.9
Hartford.....	12,100	2.8	11,500	2.6	10,900	2.5
Middletown.....	1,500	2.8	1,400	2.5	1,300	2.5
Lower River.....	500	2.5	400	2.2	300	1.9
New Britain.....	2,400	3.2	2,300	3.1	2,200	2.9
New Haven.....	8,400	3.0	7,900	2.8	7,500	2.7
New London/Norwich*..	3,900	3.0	3,800	2.8	4,300	3.2
Norwalk.....	1,900	2.3	1,800	2.2	1,900	2.3
Stamford.....	2,400	2.0	2,300	1.9	2,600	2.1
Torrington.....	1,700	3.3	1,200	2.4	1,300	2.7
Waterbury.....	3,800	3.6	3,600	3.4	3,800	3.7
Willimantic.....	700	2.4	600	2.2	700	2.3
Civilian U.S. Total-Actual.....	6,182,000	5.0	6,368,000	5.2	6,845,000	5.7
Seasonally Adjusted....		(5.2)		(5.4)		(6.0)

* The two Rhode Island towns of Hopkinton and Westerly are part of the New London/Norwich Statistical Area and are therefore included in the area estimates. As a result, the sum of the area totals will not agree with the State totals.

(R) Revised

U.S. CONSUMER PRICE INDEX - ALL URBAN CONSUMERS

	Oct. '88	Sept.'88	Oct. '87
1967=100.....	360.1	358.9	345.3
1982-84=100.....	118.9	118.5	114.1
Percent Change From....	XXX	+ 0.3	+4.2

BRIEF EXPLANATION OF THE CPI- The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. It is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and other goods and services that people buy for day to day living. Effective with the January 1978 index, the Bureau of Labor Statistics began publishing a new CPI for all Urban Consumers which covers approximately 80 percent of the total noninstitutional civilian population. It includes, in addition to wage earners and clerical workers, groups which historically have been excluded from CPI coverage, such as professional, managerial and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force. The CPI shown above represents U.S. city averages and is not seasonally adjusted.

THERE IS NO SEPARATE CONSUMER PRICE INDEX FOR CONNECTICUT OR ANY AREA WITHIN THE STATE.

AREA NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK

Statistical Area	Oct.'88	Sept.'88	Oct.'87(R)	Percent Change to October 1988 from: Sept.'88	Oct.'87
BRIDGEPORT					
Total Nonag. Empl.	203,580	202,370	200,660	+ 0.6	+ 1.5
Manufacturing	56,890	57,090	58,880	- 0.4	- 3.4
Nonmanufacturing	146,690	145,280	141,780	+ 1.0	+ 3.5
BRISTOL					
Total Nonag. Empl.	25,850	26,190	25,630	- 1.3	+ 0.9
Manufacturing	7,370	7,320	7,750	+ 0.7	- 4.9
Nonmanufacturing	18,480	18,870	17,880	- 2.1	+ 3.4
DANBURY					
Total Nonag. Empl.	83,530	82,680	81,520	+ 1.0	+ 2.5
Manufacturing	24,100	24,080	23,480	+ 0.1	+ 2.6
Nonmanufacturing	59,430	58,600	58,040	+ 1.4	+ 2.4
DANIELSON					
Total Nonag. Empl.	23,600	23,540	23,260	+ 0.3	+ 1.5
Manufacturing	8,780	8,780	9,000	0.0	- 2.4
Nonmanufacturing	14,820	14,760	14,260	+ 0.4	+ 3.9
HARTFORD					
Total Nonag. Empl.	492,790*	489,850*	482,420*	+ 0.6	+ 2.1
Manufacturing	93,840*	94,010*	93,500*	- 0.2	+ 0.4
Nonmanufacturing	398,950*	395,840	388,920*	+ 0.8	+ 2.6
MIDDLETOWN					
Total Nonag. Empl.	47,480	47,370	46,710	+ 0.2	+ 1.6
Manufacturing	9,520	9,580	9,830	- 0.6	- 3.2
Nonmanufacturing	37,960	37,790	36,880	+ 0.4	+ 2.9
LOWER RIVER					
Total Nonag. Empl.	15,330	15,470	14,520	- 0.9	+ 5.6
Manufacturing	4,690	4,690	4,590	0.0	+ 2.2
Nonmanufacturing	10,640	10,780	9,930	- 1.3	+ 7.2
NEW BRITAIN					
Total Nonag. Empl.	68,500	67,930	66,380	+ 0.8	+ 3.2
Manufacturing	20,090	20,060	20,730	+ 0.1	- 3.1
Nonmanufacturing	48,410	47,870	45,650	+ 1.1	+ 6.0
NEW HAVEN-MERIDEN					
Total Nonag. Empl.	260,730*	258,170	253,130	+ 1.0	+ 3.0
Manufacturing	45,880	46,020	46,520	- 0.3	- 1.4
Nonmanufacturing	214,850*	212,150	206,610	+ 1.3	+ 4.0
NEW LONDON-NORWICH**					
Total Nonag. Empl.	115,030	114,520*	118,930	+ 0.4	- 3.3
Manufacturing	27,240	25,900*	33,990	+ 5.2	- 19.9
Nonmanufacturing	87,790	88,620	84,940	- 0.9	+ 3.4
NORWALK					
Total Nonag. Empl.	75,180	74,910	74,060	+ 0.4	+ 1.5
Manufacturing	19,610	19,670	20,020	- 0.3	- 2.0
Nonmanufacturing	55,570	55,240	54,040	+ 0.6	+ 2.8
STAMFORD					
Total Nonag. Empl.	129,440	129,290	127,780	+ 0.1	+ 1.3
Manufacturing	23,330	23,330	23,670	0.0	- 1.4
Nonmanufacturing	106,110	105,960	104,110	+ 0.1	+ 1.9

AREA NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK (Continued)

Statistical Area	Oct.'88	Sept.'88	Oct.'87(R)	Percent Change to October 1988 from: Sept.'88	Oct.'87
TORRINGTON					
Total Nonag. Empl.	34,600	34,470	33,540	+ 0.4	+ 3.2
Manufacturing	7,860	7,930	7,910	- 0.9	- 0.6
Nonmanufacturing	26,740	26,540	25,630	+ 0.8	+ 4.3
WATERBURY					
Total Nonag. Empl.	90,260	90,010	87,300	+ 0.3	+ 3.4
Manufacturing	23,780	23,830	23,760	- 0.2	+ 0.1
Nonmanufacturing	66,480	66,180	63,540	+ 0.5	+ 4.6
WILLIMANTIC					
Total Nonag. Empl.	23,160	22,710	22,920	+ 2.0	+ 1.0
Manufacturing	1,720	1,730	1,870	- 0.6	- 8.0
Nonmanufacturing	21,440	20,980	21,050	+ 2.2	+ 1.9

* Excludes workers idled due to labor-management disputes.
** The two Rhode Island towns of Hopkinton and Westerly are a part of the New London-Norwich Statistical Area and are therefore included in the estimates.
(R) Revised

Note: Area employment estimates may not coincide with statewide totals in other publications because they are made independently.

EARNINGS AND HOURS BY STATISTICAL AREA MANUFACTURING, PRODUCTION, MAINTENANCE AND RELATED WORKERS

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Oct. 1988	Sept. 1988	Oct. 1987	Oct. 1988	Sept. 1988	Oct. 1987	Oct. 1988	Sept. 1988	Oct. 1987
Bridgeport	$462.97	$468.16	$460.48	41.3	41.8	41.9	$11.21	$11.20	$10.99
Hartford	484.76	487.77	447.91	42.3	42.6	41.9	11.46	11.45	10.69
New Haven	432.63	428.48	407.63	41.8	41.6	40.2	10.35	10.30	10.14
Stamford	477.89	477.85	459.82	39.3	39.2	40.3	12.16	12.14	11.41
Waterbury	438.88	442.00	391.35	43.8	44.2	43.1	10.02	10.00	9.08

Note: The averages shown above are influenced by the occupational composition of the area and do not necessarily represent differences between areas in pay for the same occupations. While the statistical areas generally take their names from the major cities, the averages are those for all the towns within the area.

CONNECTICUT ECONOMIC INDICATORS

	Employment Nonag. (Thous.)*		Av. Weekly Initial Claims		Rate Total Unemployment		Personal Income Millions
	Actual	Seas. Adj.	Actual	Seas. Adj.	Actual	Seas. Adj.	Seasonally Adj.
1987							
Jan....	1603.5	1626.1	5938	3740	4.0	3.5	$5001.4
Feb....	1597.0	1623.8	3593	4081	4.0	3.5	5035.0
Mar....	1616.2	1632.5	2668	3547	3.8	3.5	5044.3
Apr....	1635.7	1635.6	2592	3199	3.2	3.3	5043.2
May....	1645.6	1638.0	2455	3283	3.2	3.4	5063.6
Jun....	1664.3	1643.8	2861	3066	3.3	3.3	5087.8
Jul....	1640.8	1646.8	4588	3123	3.3	3.2	5091.8
Aug....	1634.2	1647.2	2739	2970	3.3	3.3	5130.8
Sep....	1648.8	1645.5	1789	2959	2.9	3.2	5144.9
Oct....	1657.5	1647.6	1952	2823	2.9	3.3	5172.9
Nov....	1667.4	1650.0	2318	2800	2.9	3.2	5212.1
Dec....	1676.6	1652.4	5125	2901	3.1	3.2	5240.3
1988							
Jan....	1646.3	1669.7	5713	3598	3.7	3.3	5273.4
Feb....	1645.6	1672.4	3286	3734	3.6	3.3	5318.1
Mar....	1655.5	1672.2	2424	3223	3.1	3.0	5322.3
Apr....	1666.1	1666.1	2596	3205	2.5	2.7	5316.5
May....	1670.9	1662.6	2331	3116	2.4	2.6	5329.1
Jun....	1686.3	1666.3	2971	3184	3.0	3.0	5352.3
Jul....	1658.5	1665.2	5278	3593	3.2	3.0	5367.4
Aug....	1656.4	1670.0	3020	3275	3.1	3.1	5419.4
Sep....	1668.5(R)	1665.2(R)	1947	3218	2.9	3.1	5425.5(R)
Oct....	1682.3(P)	1672.3(P)	2666	3858	3.0	3.3	5469.5(P)
Nov....							
Dec....							

	New Auto Registrations		Average Work-Week Hours		Mfg. Output (1967=100)	
	Actual	Seas. Adj.	Actual	Seas. Adj.	Actual(R)	Seas. Adj.(R)
1987						
Jan....	13430	14561	42.0	42.0	128.5	124.5
Feb....	12036	15099	42.0	42.0	128.0	124.6
Mar....	12797	13252	42.1	42.0	129.4	124.8
Apr....	14894	13430	41.9	42.0	130.2	125.4
May....	11027	11098	42.2	42.4	130.1	125.9
Jun....	11862	11754	42.3	42.3	131.0	126.5
Jul....	15214	15198	42.0	42.3	104.8	122.1
Aug....	12547	11645	41.6	42.3	104.4	119.4
Sep....	17917	15913	42.0	42.1	124.8	121.2
Oct.	12587	13485	42.1	42.1	128.4	124.2
Nov....	14508	13907	42.0	41.6	128.1	122.0
Dec....	20320	19862	42.7	42.1	118.6	125.0
1988						
Jan....	11903	12910	42.3	42.3	130.7	126.6
Feb....	11959	15005	41.6	41.6	128.1	124.7
Mar....	25076**	25959**	41.9	41.8	129.5	124.9
Apr....	19924	17966	41.9	41.9	129.7	124.8
May....	14189	14275	41.7	41.9	129.0	124.9
Jun....	13507	13387	41.7	41.7	130.1	125.7
Jul....	8854	8845	41.6	41.9	102.0	118.9
Aug....	11780	10938	41.2	41.9	105.4	120.6
Sep....	10988	9758	42.0	42.1	128.1	124.4
Oct....	9232	9895	41.8	41.8	129.5	125.2
Nov....						
Dec....						

(R) Revised (P) Preliminary
* Series revised April, 1988
** Data affected by administrative factors

CONNECTICUT UNEMPLOYMENT INSURANCE BENEFIT FINANCIAL DATA

	Average Weekly Insured Unemployed	Unemployment Benefits Paid	Employer Contributions Collected
1973	36,314	$117,610,000	$114,163,000
1974	49,255	163,258,000	124,859,000
1975	83,971	298,345,000	140,940,000
1976	67,854	238,013,000	164,922,000
1977	53,699	193,150,000	177,719,000
1978	37,220	138,351,000	189,892,000
1979	30,876	114,926,000	181,376,000
1980	37,463	163,644,000	174,402,000
1981	36,507	173,725,000	167,840,000
1982	47,952	262,962,000	183,733,000
1983	40,251	232,255,000	201,578,000
1984	25,428	154,180,000	238,511,000
1985	26,449	177,887,000	249,065,000
1986	24,950	175,584,000	238,705,000
1987	20,619	158,278,000	211,387,000
Jan'87	33,123	$18,946,000	$ 5,870,000
Feb	30,100	18,498,000	18,865,000
Mar	26,818	19,687,000	1,020,000
Apr	21,177	13,323,000	27,114,000
May	18,023	11,309,000	81,325,000
Jun	17,311	11,480,000	1,096,000
Jul	20,296	12,543,000	19,971,000
Aug	20,297	12,346,000	27,660,000
Sep	15,393	9,787,000	825,000
Oct	13,773	8,748,000	8,131,000
Nov	13,968	9,606,000	18,945,000
Dec	17,145	12,005,000	565,000
Jan'88	29,855	18,603,000	4,976,000
Feb	27,794	20,447,000	18,143,000
Mar	24,706	19,543,000	694,000
Apr	19,890	13,396,000	22,221,000
May	17,413	13,159,000	90,012,000
Jun	17,848r	13,042,000	1,156,000
Jul	21,749r	13,026,000	11,005,000
Aug	22,277	16,907,000	33,042,000
Sep	17,137	11,130,000	846,000
Oct	16,011	11,801,000	6,644,000
Nov			
Dec			

*Interest bearing r=revised

Federal Loans	
1972	31,800,000
1973	21,700,000
1974	8,500,000
1975	203,000,000
1976	137,000,000
1977	75,000,000
1978	37,000,000
1983	63,806,000*

Direct Loan Repayments	
1976	$ 26,000,000
1977	27,300,000
1978	37,300,000
1979	39,600,000
1984	30,876,000
1985	32,930,000
1986	40,187,000

Loan Repayments Via Employer Tax Credit Reduction	
1975	$ 12,906,000
1981	46,537,000
1982	49,496,000
1983	53,975,000
1984	57,349,000
1985	61,138,000
1986	64,442,000r

Total Outstanding Loans (10/31/88)
$ 0

Ct. UC Trust Fund Reserve - (10/31/88)
$313.7 million

NEW METHODOLOGY FOR ESTIMATING STATE LABOR FORCE DATA

The following narrative describes the change in methodology used to calculate State employment and unemployment estimates. As with all other States, Connecticut will implement the new method effective with the January 1989 estimates.

The Bureau of Labor Statistics announced plans to shift to a new method of calculating monthly employment and unemployment estimates for most States and the District of Columbia. Beginning with data for January 1989, the Bureau plans to replace the current method with a new one that will yield more precise estimates and automatically adjust to structural changes in State economies.

The Bureau produces labor force estimates for the Nation as a whole directly from the Current Population Survey (CPS), a scientifically selected sample of households that are representative of the total population. In 11 States (California, Florida, Illinois, Massachusetts, Michigan, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Texas), the CPS sample sizes are large enough to produce reliable estimates on a monthly basis and thus are used as the official employment and unemployment series in those states.

Currently, labor force estimates for the remaining States and the District of Columbia are prepared by first using a building-block approach to defining and estimating components of unemployment and employment. This method relies on monthly data from the unemployment insurance (UI) system and the Bureau's Current Employment Statistics (CES) program covering nonagricultural payroll employment. Estimates for groups not adequately measured monthly are developed using historical or larger-area relationships. The estimates of unemployment developed in this manner are not comparable from State to State, because they are based on data from UI programs which differ from State to State. To ensure comparability across States and with the national unemployment measures--a requirement for purposes of analysis and for equity in the distribution of Federal funds--the monthly estimates for each State, based on the building-block approach, are then adjusted to the CPS levels for the State, using a six-month moving average of CPS data. Once annual average CPS data are available, the monthly employment and unemployment estimates for the year are adjusted to these benchmark numbers, using a mathematical approach to distribute the difference between the CPS annual average and the average of the estimates prepared by the building-block procedure.

This methodology has been deficient in a number of respects, the most important of which are the relatively small proportion of the total unemployed accounted for by UI claimants and difficulties in estimating groups not covered by UI. The difficulties cause the building-block estimates to significantly underestimate CPS levels. The magnitude of the underestimation is such that unemployment as measured by the building-block approach before adjustment may be less than half of the level derived from the CPS. While the adjustment to the CPS corrects for the significant underestimation, it introduces other problems into the estimates, because it adversely affects the seasonality of the series.

The new method uses variable coefficient regression models developed by BLS and tested by State employment security agencies. These dynamic time series regression models permit use of CPS, CES, and UI data in a more accurate and reliable manner. Over ten years of data from the sources have been collected to build regression models that are resistant to large random sample errors in the CPS and are flexible enough to reflect the individual features of each State's economy. The models for each State were developed using rules common to all and recognized statistical criteria. While based on past relationships, the models have a built-in self-tuning mechanism that allows them to reflect structural changes in a State's economy as the changes occur. Two estimating equations are used for each State, one for employment and one for the unemployment rate.

The employment model uses the CES estimate of nonfarm wage and salary jobs and data from the CPS on employed persons not included in the CES survey. The latter include agricultrual workers, and self-employed, unpaid family, and private household workers. In some States, seasonal variables are used to reflect CES-CPS differences such as the treatment of persons on unpaid absences.

The unemployment rate model uses data on those UI claimants who have no earnings from employment to represent most of the experienced unemployed. An employment-to-population ratio is used to reflect both the business cycle and the experienced unemployed not covered by the UI data. A variable is used to represent unemployed new entrants and reentrants to the labor force. For some States, a seasonal entrant factor is used to show the labor force increase which occurs at the end of the school year.

Both models automatically adjust to structural change. They include a mechanism which revises an equation's coefficients when the new CPS data become available each month, if, given the estimate of error in the State CPS data, it is determined that changes in the underlying relationships have occurred. Once the data are incorporated in the models for the month, the unemployment rate and labor force estimates are calculated.

More information about the new method is available from the Office of Employment and Unemployment Statistics, BLS, Room 2083, 441 G Street, N.W.,Washington, DC 20212.*

* Source: MONTHLY LABOR REVIEW, U.S. Department of Labor, Bureau of Labor Statistics, July 1988, Volume III, Number 7, P. 2.

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